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The present conflict in Vietnam is Communist aggression in a different guise. I am convinced that if we stand fast again in Southeast Asia, this new aggression will be brought to a halt. As I noted last year, the road ahead will be difficult and sacrifices will be required of our people, both in money and in lives. But we have no other reasonable alternative if we are to preserve the kind of world we want to live in -- a world in which each nation is free to develop in its own way, unmolested by its neighbors, free of armed attack from the more powerful nations. We, ourselves, do not seek to overthrow, overtly or covertly, the legitimate government of any nation, and we are opposed to such attempts by others. We have no territorial ambitions anywhere in the world and we insist that all nations respect the territorial integrity of their neighbors. We do not seek the economic exploitation of any nation and, indeed, since the end of World War II have given other nations well over \$100 billion of our wealth and substance, an effort unparalleled in the history of mankind.

Even while we, together with our friends and allies, continue the struggle in Southeast Asia, we hold open wide the door to a just settlement of that conflict. President Johnson and Secretary Rusk have restated in a hundred different ways our willingness to move that conflict from the battlefield to the conference table. Here is the position of the United States Government on peace in Vietnam, as most recently outlined by Secretary of State Rusk:

1. The Geneva Agreements of 1954 and 1962 are an adequate basis for peace in Southeast Asia;
2. We would welcome a conference on Southeast Asia or on any part thereof;
3. We would welcome "negotiations without pre-conditions" as the 17 nations put it;
4. We would welcome unconditional discussions as President Johnson put it;
5. A cessation of hostilities could be the first order of business at a conference or could be the subject of preliminary discussions;
6. Hanoi's four points could be discussed along with other points which others might wish to propose;
7. We want no U.S. bases in Southeast Asia;

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8. We do not desire to retain U.S. troops in South Vietnam after peace is assured;

9. We support free elections in South Vietnam to give the South Vietnamese a government of their own choice;

10. The question of reunification of Vietnam should be determined by the Vietnamese through their own free decision;

11. The countries of Southeast Asia can be non-aligned or neutral if that be their option;

12. We would much prefer to use our resources for the economic reconstruction of Southeast Asia than in war. If there is peace, North Vietnam could participate in a regional effort to which we would be prepared to contribute at least one billion dollars;

13. The President has said "The Viet Cong would not have difficulty being represented and having their views represented if for a moment Hanoi decided she wanted to cease aggression. I don't think that would be an insurmountable problem";

14. We have said publicly and privately that we could stop the bombing of North Vietnam as a step toward peace although there has not been the slightest hint or suggestion from the other side as to what they would do if the bombing stopped.

Thus, the continuation of the conflict is not our choice but, rather, the choice of our adversaries. It will be terminated when they are convinced that their aggression cannot succeed and, when they reach that conclusion, I am sure that they will find no difficulty in communicating their intentions to us.

The issue has been joined and our course has been set. It is my hope that all Americans will throw their full support behind our military forces defending the frontier of freedom in Vietnam. It is my hope that free nations everywhere will come to recognize that this is their fight as well as ours; that Lin Piao's declaration of war against freedom is directed at them as well as at the United States, and that they will join in the struggle against this latest manifestation of totalitarian imperialism.

#### 1. Strengths and Weaknesses Among the Communist Nations

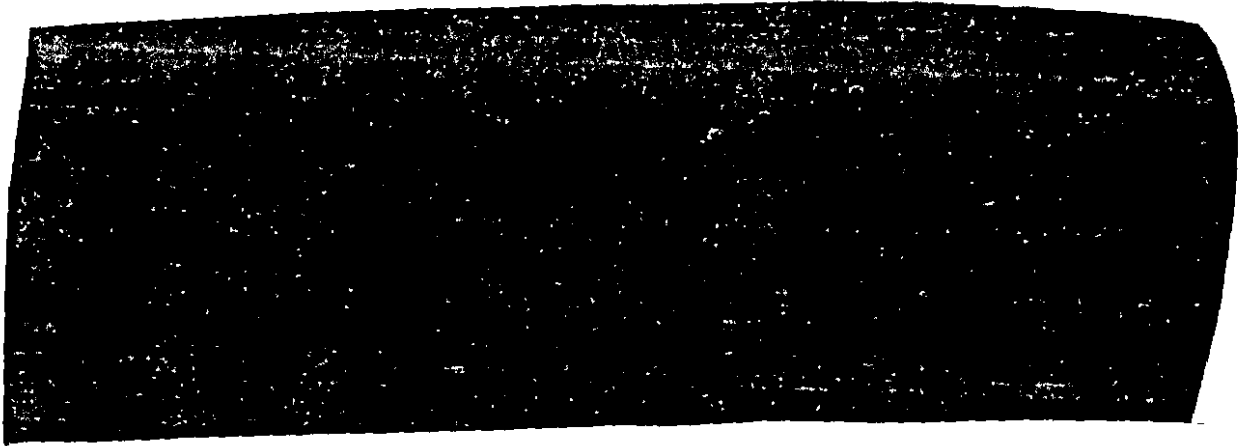
While the Communist nations continued to challenge the Free World on many fronts during 1965, the character of this challenge reflected the internecine competition and hostility between the two major Communist powers. The expressed desire of the Soviet leaders to improve relations

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With respect to the defense of hard point targets, we have had for some years a multi-pronged effort to develop the concepts and the components for an advanced weapon system. The two major elements of this effort are HI-BEX-- an extremely high acceleration missile interceptor -- and HAPDAR -- a complementary phased array radar. These projects have already been funded, a number of interceptor tests have been made and the test radar has just recently begun to operate. Over the next several months we will be studying and evaluating the data from these tests.

4. Anti-Satellite Defense



Detection and tracking of foreign satellites is performed by the Space Detection and Tracking System (SPADATS). SPADATS acquires information from three separate sources: the Navy's SPASUR detection fence extending across the southern United States; the BMEWS screen across the northern approaches; and SPACETRACK, the worldwide network of radars and optical sensors. The principal investment now contemplated for SPADATS is the construction of a large phased array radar at Eglin Air Force Base.

The large ground based optical installation at Cloudcroft, New Mexico is already operational, and the ARPA installation at Maui, Hawaii will become operational shortly.



F. CIVIL DEFENSE

The last of the seven major issues involved in our FY 1967-71 general nuclear war program concerns the future size and scope of the Civil Defense program. Considering the great uncertainties regarding the other elements of the Damage Limiting program, I do not believe that we should undertake, at this time, any major change in our present civil defense effort. Therefore, with but one exception, the program I am recommending this year is essentially the same as the one approved by the Congress for FY 1966.

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The principal innovation proposed for FY 1967 is a modest experimental program designed to stimulate the use of construction techniques in new public non-federal or privately owned buildings which would at little or no extra cost, provide dual-use fallout shelter space. We propose to do this by subsidizing with federal funds the extra costs, but not to exceed one percent of the total construction cost. This program could provide two valuable options. First, if we should later decide on a major Damage Limiting effort, the experience gained in this experimental program would allow us to eliminate most of the shelter deficit by expanding the program nation-wide. Second, even if we decided against a major Damage Limiting effort, the techniques used in the experimental program could be employed selectively in areas where the shelter survey program cannot locate the shelter spaces required, for example, in the South and certain rural areas. This latter option would be compatible with a lighter Damage Limiting effort such as the one discussed earlier in connection with the possible emergence of a Chinese Communist strategic nuclear threat. I believe that this experimental program is a sound and logical step in our overall civil defense effort, and I urge the Committee's support of our \$10 million budget request for this purpose. A financial summary of the proposed Civil Defense program is shown on Table 4.

1. Shelter Survey

The survey of existing large structures has located over 140 million shelter spaces with a protection factor of 40 or above, and more than 90 million of these spaces have been licensed and marked as public shelters. By the end of FY 1966, we estimate that 142 million spaces will have been identified; and nearly 100 million spaces licensed or marked. The continuing survey of new large structures is expected to locate six million more shelter spaces during FY 1967.

Beginning in late FY 1965, a survey of smaller structures (other than 1, 2 and 3 family homes) was initiated in communities preparing Community Shelter Plans. This survey is expected to identify over two million spaces by end FY 1966 and about 4.6 million spaces by end FY 1967.

For 1, 2 and 3 family homes, a pilot test using a questionnaire type technique was successfully completed last September. This test indicates that about ten percent of the homes with basements have a protection factor of 40 or more, and an additional 65 percent have a protection factor of 20 to 40. This survey technique is now being tested in two States, after which it will be offered to all State and local political jurisdictions.

To continue all of these shelter survey activities, \$23 million is requested in the FY 1967 Budget, as shown on Table 4.

## 2. Shelter Development

To insure the best use of existing and projected shelter assets and to identify specifically the remaining shelter deficit in each community by amount and location, we are developing detailed shelter use plans. These plans are prepared by professional urban planners under contract to the Corps of Engineers. To date, pilot Community Shelter Plans are underway in 57 areas and plans will be started in 200 areas during the current year. For FY 1967 \$4 million is requested to extend this planning effort to another 200 areas.

As I have noted in previous years, experience indicates that large amounts of suitable shelter space can be obtained at little or no extra cost with only minor changes in the design of new buildings, for example, by reducing window areas and by using partitions, stairwells, retaining walls, and high density materials to reduce radiation. We propose in FY 1967 to continue our efforts to provide the necessary architectural and engineering advice to the construction industry, at a cost of about \$3 million.

The balance of the \$17 million requested for Shelter Development in FY 1967, i.e., \$10 million, is for the new experimental program which I discussed earlier. In essence, this program would provide in areas of known shelter deficits a federal payment to builders for the incorporation of fallout shelter in new construction projects. Payments, not to exceed one percent of total project construction costs, would be made to building owners who agree in advance to the marking, stocking and public use in an emergency of the resulting shelter space. The experimental program would be limited to areas in which Community Shelter plans have identified shelter deficits.

## 3. Shelter in Federal Buildings

As shown on the table, no additional funds are requested this year specifically for Regional Emergency Operating Centers or for single purpose shelter space in federal buildings. However, we are continuing the program of maximizing the shelter potential in such buildings by applying the design techniques I mentioned earlier in connection with non-federal construction. The General Services Administration is using these techniques in some 16 of their current projects, at an additional cost of only one-half of one percent. Plans have been developed for 52 other federal buildings, with no increase in cost for the additional shelter space to be obtained.

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#### 4. Shelter Provisions

No funds are being requested for shelter supplies in FY 1967, except for \$800,000 to be used for special protective packing for shelter supplies placed in mines, caves and tunnels and to initiate a quality check of shelter stocks already in shelters.

The balance of the \$6.8 million shown for Shelter Provisions is for ventilation kits. The national fallout shelter survey had identified 51 million shelter spaces which, if adequately ventilated, could be added to the present national inventory of 140 million. It is estimated that about 22 million of these spaces are in shelter deficit areas. In addition, we estimate that the continuing survey will identify about another million spaces per year which could be used if adequate ventilation is provided. To meet this need, compact, packaged ventilation device has been developed which can be operated electrically or manually to increase the capacity and habitability of otherwise sub-standard shelter space. Procurement of a test quantity of 2400 units is being made this year. The \$6 million included in the FY 1967 budget would provide a sufficient number of kits to make habitable another 2.8 million shelter spaces at a cost of a little more than \$2 per space.

#### 5. Warning

The \$700,000 requested under this heading is to continue the development effort on a radio system for indoor warning.

#### 6. Emergency Operations

For FY 1967, \$13.1 million is included for the Emergency Broadcast System, damage assessment, radiological defense, emergency operations systems development and technical support (primarily for communications and warning).

The Emergency Broadcast System provides the President and governmental authorities at all levels a means of communicating with the public in an emergency. The necessary emergency facilities and equipment, including emergency generators for 599 of the 658 radio stations, needed for complete national coverage have already been financed. About \$1.4 million is included in the FY 1967 budget to complete the equipping of the remaining 59 stations and the related remote radio pick-up units.

Operation of the National Civil Defense Computer Facility and support of the damage assessment capability will require \$1.5 million in FY 1967; and \$6.7 million is needed for procurement of 1000 aerial survey meters for monitoring radiological fallout, engineering improvement of radiological instruments, and for weather services, warehousing and

radiological instrument maintenance and calibration.

The balance of \$3.5 million is required for emergency operations systems development -- i.e., the application of results of research, engineering tests and operations analyses to the solution of practical civil defense problems, and for communications advisory services and operation of the Regional Communications Centers.

7. Financial Assistance to States

As shown on the table, \$30.5 million in matching funds are requested for FY 1967 for financial assistance to the States, an increase of \$7.5 million over FY 1966. This increase reflects the higher demands being made upon State and local civil defense organizations for the operational aspects of the program, i.e., community shelter planning, shelter provisioning and development of emergency operating capacity.

8. Research and Development

The \$10 million requested for civil defense research and development will enable us to continue our efforts to obtain: fallout protection at lower costs per shelter space; better means of warning the population and of controlling and directing emergency operations in damaged areas; an improved technical base for post-attack survival and recuperation; and improved data on the countermeasures against all effects of nuclear weapons. It is from this effort that most future improvements in the civil defense program will be generated.

9. Management

For over-all program management, \$13.2 million is requested for FY 1967. This amount would provide for some additional personnel who would concentrate essentially on the experimental shelter program and the increased community shelter planning effort.

10. Public Information

The \$4 million requested for FY 1967 is for the preparation of emergency information, instruction, dissemination of technical information and for programs to encourage the participation of industry in civil defense activities.

11. Training and Education

The \$15.6 million included under this heading will permit a continuation of the University Extension Program which provides professional civil defense training through the state university and "land-grant" college systems. It will also allow for a moderate increase in the civil defense



adult education and rural education programs. The latter program provides instruction for farm families on how to protect themselves and their livestock against fallout.

G. FINANCIAL SUMMARY

The Strategic Offensive Forces, the Strategic Defense Forces and the Civil Defense Program I have outlined will require Total Obligational Authority of \$6.5 billion in FY 1967. A comparison with prior years is shown below:

	(\$ Billions, Fiscal Years)						
	1962	1962	1963	1964	1965	1966	1967
	<u>Orig.</u>	<u>Final</u>	<u>Act.</u>	<u>Act.</u>	<u>Act.</u>	<u>Est.</u>	<u>Prop.</u>
Strategic Offensive Forces	7.6	8.9	8.3	7.3	5.3	5.1	5.1
Strategic Defensive Forces	2.2	2.0	1.8	1.9	1.5	1.6	1.3
Civil Defense	<u>    </u>	<u>.3</u>	<u>.1</u>	<u>.1</u>	<u>.1</u>	<u>.1</u>	<u>.1</u>
Total	9.8	11.2	10.2	9.3	6.9	6.8	6.5